

Indirect Support Services

Analyst: Castro

Historical Summary

OPERATING BUDGET	FY 2008 Total App	FY 2008 Actual	FY 2009 Approp	FY 2010 Request	FY 2010 Gov Rec
BY FUND CATEGORY					
General	17,463,800	16,927,700	17,950,300	19,734,200	17,372,600
Dedicated	1,080,100	1,085,400	1,453,100	1,692,900	1,515,000
Federal	17,763,000	17,422,800	18,413,400	19,805,000	17,825,900
Total:	36,306,900	35,435,900	37,816,800	41,232,100	36,713,500
Percent Change:		(2.4%)	6.7%	9.0%	(2.9%)
BY OBJECT OF EXPENDITURE					
Personnel Costs	20,819,000	19,554,200	21,807,700	22,519,000	20,732,000
Operating Expenditures	14,860,600	15,143,900	15,474,500	17,158,800	15,971,500
Capital Outlay	627,300	737,800	534,600	1,554,300	10,000
Total:	36,306,900	35,435,900	37,816,800	41,232,100	36,713,500
Full-Time Positions (FTP)	320.98	302.92	323.48	297.92	297.92

Division Description

Indirect Support provides administrative functions for the Department of Health and Welfare. The Office of the Director provides central policy direction. Regional directors direct day-to-day activities throughout the state. The Office of Legal Services provides legal advice, monitoring and litigation services. The Division of Management Services manages the budget cash flow, controls the accounting and reporting process, performs internal reviews, manages physical assets, and processes all personnel actions. The Division of Information Systems plans and operates all data processing activities. Finally, the Division of Human Resource Services includes civil rights, workforce development, recruitment, process and system research, and employee relations.

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Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2009 Original Appropriation	323.48	17,950,300	37,816,800	323.48	17,950,300	37,816,800
Omnibus Rescission	0.00	0	0	0.00	(699,100)	(1,422,600)
Health Insurance Reduction	0.00	0	0	0.00	(76,500)	(161,700)
FY 2009 Total Appropriation	323.48	17,950,300	37,816,800	323.48	17,174,700	36,232,500
Noncognizable Funds and Transfers	(21.56)	(120,800)	229,200	(21.56)	(120,800)	229,200
FY 2009 Estimated Expenditures	301.92	17,829,500	38,046,000	301.92	17,053,900	36,461,700
Removal of One-Time Expenditures	0.00	(352,200)	(984,700)	0.00	(352,200)	(984,700)
Additional Base Adjustment	0.00	0	0	0.00	25,400	(31,800)
FY 2010 Base	301.92	17,477,300	37,061,300	301.92	16,727,100	35,445,200
Benefit Costs	0.00	137,600	278,200	0.00	61,100	116,500
Inflationary Adjustments	0.00	107,700	212,700	0.00	0	0
Replacement Items	0.00	1,111,700	1,885,600	0.00	0	0
Statewide Cost Allocation	0.00	662,200	1,070,500	0.00	662,200	1,070,500
Change in Employee Compensation	0.00	317,700	646,500	0.00	0	0
FY 2010 Program Maintenance	301.92	19,814,200	41,154,800	301.92	17,450,400	36,632,200
8. Criminal History Check Receipts	0.00	0	220,000	0.00	0	220,000
9. AG Staff Transfer (Indirect & Medicaid)	(4.00)	(80,000)	(142,700)	(4.00)	(77,800)	(138,700)
FY 2010 Total	297.92	19,734,200	41,232,100	297.92	17,372,600	36,713,500
Change from Original Appropriation	(25.56)	1,783,900	3,415,300	(25.56)	(577,700)	(1,103,300)
% Change from Original Appropriation		9.9%	9.0%		(3.2%)	(2.9%)

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2009 Original Appropriation	323.48	17,950,300	1,453,100	18,413,400	37,816,800
Omnibus Rescission					
Agency Request	0.00	0	0	0	0
<i>General Fund holdbacks, as directed by Executive Orders 2008-3, and 2008-5, are incorporated as a rescission that reduces the General Fund by 4% for FY 2009.</i>					
Governor's Recommendation	0.00	(699,100)	0	(723,500)	(1,422,600)
Health Insurance Reduction					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends reducing the funding for health insurance by \$500 per FTP, using reserves to offset the increased costs of health insurance for the state for FY 2009 and FY 2010.</i>					
Governor's Recommendation	0.00	(76,500)	(82,000)	(3,200)	(161,700)
FY 2009 Total Appropriation					
Agency Request	323.48	17,950,300	1,453,100	18,413,400	37,816,800
Governor's Recommendation	323.48	17,174,700	1,371,100	17,686,700	36,232,500
Noncognizable Funds and Transfers					
<i>Increases the budget by \$350,000 for additional federal receipts. Transfers 14.0 FTP from Indirect Support Services to the institutions for cost associated with fiscal staff working at the institutions. Reduces FTP by 7.56.</i>					
Agency Request	(21.56)	(120,800)	0	350,000	229,200
Governor's Recommendation	(21.56)	(120,800)	0	350,000	229,200
FY 2009 Estimated Expenditures					
Agency Request	301.92	17,829,500	1,453,100	18,763,400	38,046,000
Governor's Recommendation	301.92	17,053,900	1,371,100	18,036,700	36,461,700
Removal of One-Time Expenditures					
Agency Request	0.00	(352,200)	0	(632,500)	(984,700)
Governor's Recommendation	0.00	(352,200)	0	(632,500)	(984,700)
Additional Base Adjustment					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends an ongoing base reduction to balance the state budget. This represents an additional 2.1% reduction for the division bringing the FY 2010 Base 4.9% below the ongoing FY 2009 General Fund Original Appropriation.</i>					
Governor's Recommendation	0.00	25,400	0	(57,200)	(31,800)
FY 2010 Base					
Agency Request	301.92	17,477,300	1,453,100	18,130,900	37,061,300
Governor's Recommendation	301.92	16,727,100	1,371,100	17,347,000	35,445,200
Benefit Costs					
<i>Provides \$900 per position, which equates to a 10.4% increase for employer-paid health insurance. Also, includes a 19% reduction in life and disability insurance rates from 1.1% to 0.9% of salary for eligible employees.</i>					
Agency Request	0.00	137,600	5,900	134,700	278,200
<i>The Governor recommends providing an increase of \$400 per FTP and making changes to the health insurance benefits contract to meet expected costs. Including the rescission to reduce health insurance benefit costs in FY 2009 by \$500 per FTP, employer costs per FTP for FY 2010 will be \$8,600.</i>					
Governor's Recommendation	0.00	61,100	(76,100)	131,500	116,500

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Inflationary Adjustments					
Inflationary increases are calculated using the ongoing base for operating expenditures and trustee & benefit payments multiplied by an agency-specific inflation factor. The inflationary adjustment reflects a 1.4% increase in the General Fund and a 1.3% increase in total funds. The requested amount includes \$146,700 for general inflation and \$66,000 for contract inflation.					
Agency Request	0.00	107,700	0	105,000	212,700
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
Replacement Items					
The replacement capital outlay request includes \$894,300 to replace 579 desktop computers, 186 monitors, and 296 laptops. The request also includes \$141,500 to replace eight vehicles; \$36,000 to replace desks and chairs; \$98,400 for alterations and repairs projects; \$435,000 for storage area network replacement plus five years of maintenance; \$148,300 for a virtualized private server environment (not currently in stock); and \$132,100 for McAfee security software required by ITRMC for the Governor's consolidation initiative.					
Agency Request	0.00	1,111,700	0	773,900	1,885,600
<i>Not recommended by the Governor.</i>					
Governor's Recommendation	0.00	0	0	0	0
Statewide Cost Allocation					
The request includes adjustments to recover the costs of services provided to state agencies: \$498,000 for Attorney General fees; \$900 for property and casualty insurance premiums; \$185,000 for State Controller fees; \$240,900 for State Treasurer fees; \$145,700 for legislative audits.					
Agency Request	0.00	662,200	0	408,300	1,070,500
Governor's Recommendation	0.00	662,200	0	408,300	1,070,500
Change in Employee Compensation					
Agencies were instructed to calculate a 3% salary increase in the appropriation request.					
Agency Request	0.00	317,700	13,900	314,900	646,500
<i>While increasing salaries of state workers continues to be a priority for the Governor, the current economic situation does not provide the funds to recommend an increase in FY 2010. When economic conditions improve, the Governor will once again seek to improve compensation for all state employees.</i>					
Governor's Recommendation	0.00	0	0	0	0
FY 2010 Program Maintenance					
Agency Request	301.92	19,814,200	1,472,900	19,867,700	41,154,800
Governor's Recommendation	301.92	17,450,400	1,295,000	17,886,800	36,632,200

8. Criminal History Check Receipts

The department is requesting receipts authority for the Criminal History Unit in the amount of \$220,000. The breakdown of the \$220,000 is \$50,100 for personnel costs; \$159,900 for operating expenditures of which \$45,000 is one-time; and \$10,000 for one-time capital outlay.

A recent rule change, IDAPA 16.06.12 "Rules Governing the Idaho Child Care Program (ICCP)" mandated that all daycare providers who receive state payments through the Idaho Child Care Program must be licensed. Licensing includes criminal history background checks. The new rule is estimated to cause an increase of 4,000 criminal history background checks beginning in FY 2010 and 3,000 annually thereafter. The total fiscal impact of this change for the first year is estimated at \$220,000 (4,000 background checks @ \$55.00 per check cost) and the ongoing impact is estimated at \$165,000 (3,000 checks @ \$55.00 per check).

The background check program is self-sustaining from receipts collected from providing background checks. The Criminal History Unit has one FTP that is currently vacant because the volume of background checks was not sufficient to pay for the position. With the increased volume and workload of 3,000 to 4,000 additional checks required, the position will now be filled. No additional FTP authority is being requested. [Ongoing \$165,000; one-time \$55,000]

Agency Request	0.00	0	220,000	0	220,000
Governor's Recommendation	0.00	0	220,000	0	220,000

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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9. AG Staff Transfer (Indirect & Medicaid)

The department has historically provided administrative and paralegal support for the Attorney General's staff working on DHW activities. Most of these support positions were transferred to the Attorney General's budget in 1995. The department currently has six staff, four in Indirect Support Services and two in Medicaid that provide support to the Attorney General's lawyers assigned to the department. The reason the four positions in Indirect were not transferred in 1995 was that the staff were in classified positions. A transfer to the AG's office would have converted them to at-will positions. The two positions in Medicaid were created since 1995. With staff turnover since 1995, the department states that transferring the positions is no longer an issue.

Approval of this decision unit would transfer the six positions from DHW to the Attorney General's office, consolidating the total personnel cost of the legal services provided to DHW. These costs will be included in the statewide cost allocation recovery. [Ongoing]

Analyst Comment: This line item corresponds with a line item in the Attorney General's budget and the Medicaid budget, all three line items require concurrent adoption to complete the transfer of staff.

Agency Request	(4.00)	(80,000)	0	(62,700)	(142,700)
Governor's Recommendation	(4.00)	(77,800)	0	(60,900)	(138,700)

FY 2010 Total					
Agency Request	297.92	19,734,200	1,692,900	19,805,000	41,232,100
Governor's Recommendation	297.92	17,372,600	1,515,000	17,825,900	36,713,500

Agency Request					
Change from Original App	(25.56)	1,783,900	239,800	1,391,600	3,415,300
% Change from Original App	(7.9%)	9.9%	16.5%	7.6%	9.0%
Governor's Recommendation					
Change from Original App	(25.56)	(577,700)	61,900	(587,500)	(1,103,300)
% Change from Original App	(7.9%)	(3.2%)	4.3%	(3.2%)	(2.9%)